

Skyscraping Wages No Cause for Alarm

The Laborer of Yesterday the Capitalist of To-day, the Rule in America—Corrective Factors at Work Already in the Matter of Rising Rates of War Time Pay.



Frank P. Walsh, co-chairman of Federal War Labor Board.

By AGNES C. LAUT.

HOW high is the dead line in wages? Ask the practical operator of some war industry that question and he is apt to answer: "How high? Sky high, and then some more. Get a telescope."

Take a few random facts as brought out in various official and unofficial investigations.

There has not been a week since we entered the war when there has not been an increase of from 10 per cent. to 20 per cent. in wages in some war industry.

Averaging up the wages of all the industries of New York State, the wage increases for 1918 show an advance of 100 per cent. over the wages for 1915; but that does not tell half the story. The work day for war industries has been set by the Federal War Labor Board at eight hours, where it was formerly ten and twelve hours. All over eight hours is paid at the rate of time and a half.

We'll suppose an unskilled laborer is getting 50 cents an hour, or \$4 a day for an eight hour day. Under emergency he works ten hours. For the two extra hours he receives 75 cents, or \$1.50; so that his wages are really \$5.50, as compared to \$2 a day in 1914. But this does not tell the whole story.

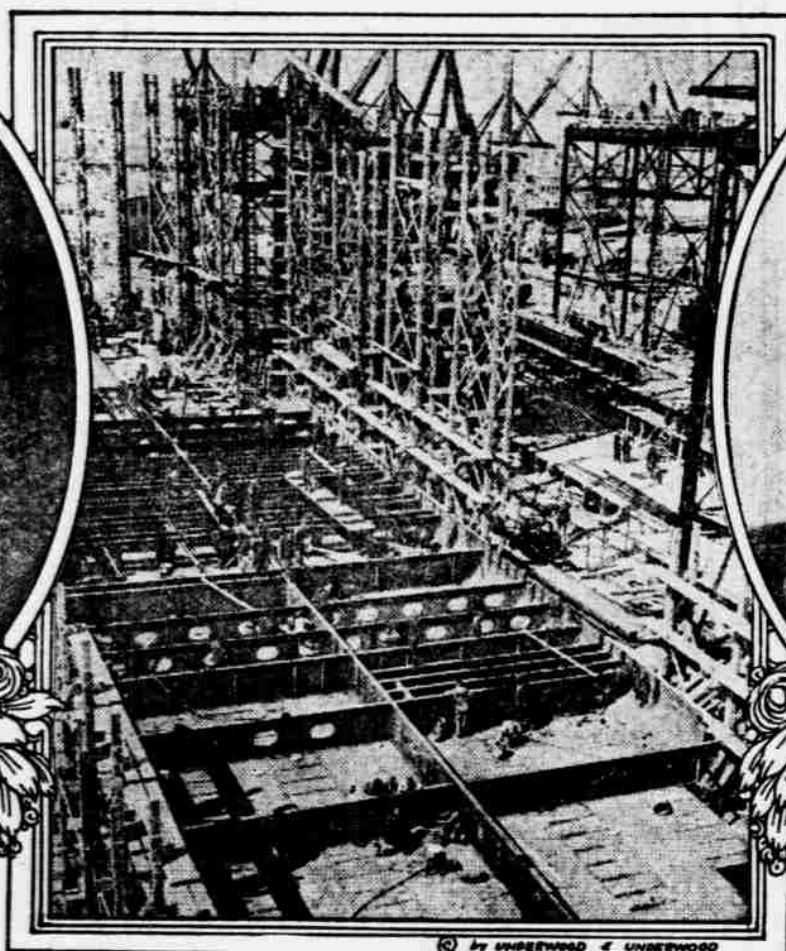
Under the urgent necessity for speed in war supplies double pay is granted for Sunday work, or \$11 for a ten hour day. Good, you say! If the war demands it to save human life, let the workman speed up on his Sundays, as the soldier speeds to the firing line on Sundays. But it has been the experience in the shipyards, in carpentry for cantonnments, in general chemical works being erected for the Government, that the workman who gets double pay for Sunday sometimes takes his Sunday off on Monday; so that the week's total output by him for the war is not a whit larger for double pay on Sundays than if he took his Sundays off and worked his Mondays.

Eight Hour Day Not Full Story.

It may be said that the eight hour day now prevails in coal mining, pork packing, garment work, Government contracts, lumber and saw mills. But this again does not tell the full story. Though farming to supply food for the war is quite as much a war industry as powder works, no one has yet risen to explain how farming can be done on an eight hour day. Nature doesn't sanction it.

In fact, what with late springs and early frosts and rains, of which she never sends any advance notice through a war board, old Dame Nature seems to laugh ironically at any idea of sitting down on your job and demanding double pay in crops, or you won't go on. She seems to say, "Just sit still, my boy, and lessen your labor by half and increase your demands for returns by double, and I'll reef the belt round your stomach in quadruple." And she has done this literally and in dollars and cents since the war began by sending up the price of food all the way from 80 per cent. to 300 per cent.

The official bureau which averaged up the increases in wages for industries in New York State also averaged up the



Busy scene in shipyard where labor disputes might menace the nation.

increases in food costs; and what it found was this: Where wages had gone up 80 per cent. food in the same locality had gone up 60 per cent. That is, wages had kept just one kangaroo hop of 20 per cent. ahead of food; and increases in rents and clothing easily absorb that 20 per cent. But the point on the farm is that you can't reduce hours to eight and stay in business; so wages have jumped 100 per cent. In the East, men who were getting \$30 and board now get \$50 and \$60 a month. In the West, on which we depend for the world's bread, wages have increased from \$2.50 and \$3 a day for unskilled labor and \$4 for engine hands to \$4 and \$5 for unskilled labor and \$8 and \$12 for the engine men.

Canvass Made of \$5,000 Men.

A private canvass was recently made of the salaries of small city bank managers—a type of men who have spent from fifteen to twenty years learning their business, a type of men whose integrity must be rock bottom. The salaries did not exceed \$5,000 a year.

In the same cities a canvass was made of domestic help—I do not mean help for frilled households, but help for the average comfortable home where a mother with little children cannot do her own work. The wages for domestic help averaged \$12 a week and keep, or \$50 a month and keep. Put the keep and breakage at \$20 and the wages reach \$70 a month. Is the work of an eighteen-year-old domestic servant with little experience and less knowledge worth 16 per cent. of a bank manager's income?

Hotel managers in the big cities are to-day at their wits end for unskilled help. Boarding houses are closing down. One newspaper recently printed ninety-three columns of want advertisements for unskilled male and female labor. In the same issue were only ten columns of advertisements for jobs by unskilled help. That is there were nine unskilled jobs open to every unskilled hand wanting a job; and a theorist was moved by the proportion to preach a sermonette on the need for community kitchens. Community kitchens with nine kitchens for one pair of hands!

Take a few more random facts to illustrate how high the dead line of wages can curve. Street railroad wage increases have averaged 20 per cent. for one year. Street car charges to the public have in many places gone up to seven and ten cents. The new tariffs have not been in effect long enough to indicate whether the public will ride as much on the higher fare.

At time of writing bar iron workers are asking increases of from 15 to 24 per cent. Standard Oil refineries have increased wages 89 per cent. since 1915.

Telegraph operators have received increases of 10 per cent. in a year.

Steel workers of Youngstown have received increases of 150 per cent. since 1914.

Longshoremen were receiving from

\$1.75 to \$3 a day when the war broke out. They are now receiving 50 cents an hour, 70 cents for overtime, \$1 for Sundays, and their pay ranges from \$50 to \$65 a week.

Skilled ship workers are to-day receiving 75 cents an hour. They are demanding \$1 an hour and double pay for overtime.

The striking Bridgeport machinists were awarded 78 cents an hour and asked 80 cents an hour.

Both the anthracite and bituminous mine workers are agitating for a change in the wage system, though one miner last month totalled \$526 for his month's work.

Electric employees have received increases of 10 per cent. in the last year.

Wage increases will cost the Railroad Administration \$400,000,000 this year and the Shipping Board \$300,000,000.

In two years the United States Steel Corporation has advanced wages seven times. Wages for unskilled labor in steel stand thus: February, 1916, \$2.20; August, 1918, \$4.20.

In western Canada coal miners earning \$10.35 a day went on strike.

When it is asked what becomes of the high wages, not as many facts are available. In Youngstown the bank deposits increased about \$4,000,000 in a year; but a significant fact was that 11,000 of the depositors were foreign workmen. At the end of the war, at the end of the high wage era, will they carry these savings back to Europe?

Less Than 1 Per Cent. From Labor.

A second interesting fact is that of the personal income tax collected last year less than 1 per cent. was paid by labor. That brings up the question, who is paying the high war wages?

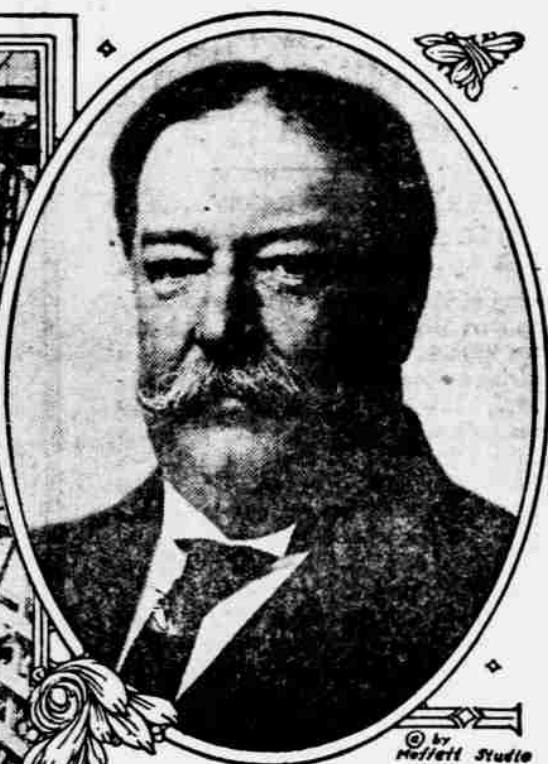
Standing on the streets of Vancouver about two years before the war broke out when the two new Canadian transcontinentals were tied up by strikes, I recall hearing an I. W. W. orator shout, "Strike for \$4 a day and an eight hour day now; and when you get that strike for \$8 a day and a four hour day—"

"And when you get that," I afterward said to him quietly in the I. W. W. council room, "you will stop every wheel. Not a wheel will go round; for you will have taken all the money in a business to pay wages alone—"

"Exactly what we are working for," he answered, "and when we have taken all the money there is in industry we'll take industry over and run it for ourselves."

That is exactly what has happened in Russia; and the wheels have stopped going round. All capital has been taken; but so have all wages. The dead line has been reached, and the edifice has smashed down in ruins. Both capital and labor lie beneath the ruins, but as there are more laborers than there are capitalists more laborers have suffered than capitalists.

It is needless to say that dead line will



William Howard Taft, co-chairman of Federal War Labor Board.

never be reached in this country. It will never be reached because the laborer of yesterday is the capitalist of to-day. The present high wages are the result of war demands. Corrective factors are at work now. The very increased cost of labor reacting on food, on clothing, on fuel, on such luxuries as motors, house decorations, is forcing an economy that is cutting down purchases.

Many homes can solve the domestic help problem by reverting to the good old fashion of doing their own work. On the wall in front of me hangs a snapshot of a girl in blue jean trousers oiling her own motor car. It seems almost snobbish to say the girl belongs to a family that for generations owned slaves and have always commanded abundant help.

In Bluejeans of Brother.

Why is she oiling her own car? For the sake of donning a military costume? No, for she is in the blue jean trousers of a brother who is now a Captain in France. She is oiling and repairing her own car because she can't afford to pay an income tax, to buy \$1,000 of Liberty bonds and also to pay \$1,200 a year for a chauffeur. She is releasing a man's labor for essential war work and saving \$1,200 for Liberty bonds.

The thing cuts still deeper. I happen to know other families of girls who will not buy new evening gowns this year. They will save the cost for Liberty bonds and the labor for war work, and in so doing will help to win the war quite as much as if they drove an ambulance in France. It isn't as spectacular, but in the aggregate it is more effective.

"Do it yourself!" should be the twin slogan to "Buy a bond."

The Government ruling that industrial slackers shall lose deferred classification and exemption if absent from work without sufficient reason is good as far as it goes, but it is good only if it combs out the slackers in hiding and on the jump. The men who jump their jobs every few months, who have scarcely been broken in at one factory or farm before they hop off to another, have caused employers loss in breakage and wasted time that has added easily 20 per cent. to costs.

Sometimes the shift has been "to scare" wages up in the middle of a job, sometimes to escape classification, sometimes to sober up after a spree. These types add to the needless cost of labor just as much as intentional sabotage.

As to the question how high is the dead line in increased wages, one employer put it well. He answered:

"Just as high as it is necessary to win the war. We are going to win the war independent of costs, but we are not going to pay slackers for lagging back as to output and speed."

"After the war the dead line of wages will be just as high as industry can keep going at a profit. Industry passes the increased wages on to the public."

"When the public cuts out high priced buying, industry loses profit, and the wheels stop going round. That is what is happening and should happen to non-war industries to-day."